

State of South Dakota

EIGHTY-FOURTH SESSION LEGISLATIVE ASSEMBLY, 2009

465Q0778

SENATE CONCURRENT RESOLUTION NO. 7

Introduced by: Senators Kloucek, Bartling, Bradford, Brown, Gant, Garnos, Gillespie, Gray, Hanson (Gary), Heidepriem, Howie, Hundstad, Hunhoff (Jean), Jerstad, Maher, Merchant, Miles, Nelson, Nesselhuf, Olson (Russell), Peterson, and Tieszen and Representatives Putnam, Bolin, Burg, Dennert, Dreyer, Feickert, Feinstein, Frerichs, Hoffman, Hunhoff (Bernie), Juhnke, Kirkeby, Kirschman, Kopp, Lange, Lederman, Lucas, McLaughlin, Moser, Nygaard, Olson (Betty), Rave, Romkema, Schrempp, Sly, Solum, Sorenson, Street, Turbiville, Vanneman, and Wismer

1 A CONCURRENT RESOLUTION, Requesting the State of Nebraska to provide tax relief and
2 amnesty for certain South Dakota trucking companies.

3 WHEREAS, the State of Nebraska has recently notified many South Dakota trucking
4 companies that they are required to file Nebraska state income tax returns; and

5 WHEREAS, the State of Nebraska has a state income tax which applies to the trucking
6 industry and is administered by special trucking rules. The Department of Revenue from the
7 State of Nebraska has contacted many South Dakota trucking companies to ascertain their
8 potential income tax obligation to the State of Nebraska. These companies were unaware of
9 their income tax obligation to the State of Nebraska; and

10 WHEREAS, the actual taxable revenue is apportioned to Nebraska for those loads that are
11 loaded and unloaded in Nebraska. Otherwise, apportionment is based on all the miles traveled
12 in Nebraska divided by the overall miles traveled by the trucking company; and



1 WHEREAS, the South Dakota trucking companies did not anticipate that they could incur
2 a Nebraska income tax obligation for miles traveled in Nebraska when the load was either
3 loaded or unloaded within the boundaries of another state or country; and

4 WHEREAS, economic times have been extremely difficult for many industries and
5 individuals as well as governmental units, especially state governments. It is understandable in
6 these difficult times, that states look for every source of revenue; and

7 WHEREAS, the State of Nebraska and the State of South Dakota have each agreed to a tax
8 amnesty policy regarding other forms of taxation. For example, the Streamlined Sales Tax
9 Project amnesty program is an attempt to have potential tax payers report and pay their current
10 and future tax obligations in a timely manner without worry of substantial penalty; and

11 WHEREAS, South Dakota trucking companies are now better informed of their income tax
12 obligation to the State of Nebraska and the rules that administer and apply that income tax:

13 NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Eighty-fourth Legislature
14 of the State of South Dakota, the House of Representatives concurring therein, that the South
15 Dakota Legislature requests the Nebraska Legislature to forgive all or part of the income tax due
16 for past years on South Dakota trucking companies and to apply this tax on current and future
17 income. Favorable resolution of this matter by the Nebraska Legislature will provide relief to
18 an industry that also faces financial struggles; and

19 BE IT FURTHER RESOLVED, that the South Dakota Legislature requests the Nebraska
20 Legislature to develop an amnesty program for out-of-state trucking companies. The amnesty
21 program will encourage the trucking companies to file income tax returns and pay their tax
22 obligations in a timely manner without fear of severe penalties and interest; and

23 BE IT FURTHER RESOLVED, that the South Dakota Legislature expresses its appreciation
24 for the Nebraska Legislature's consideration of this matter.